

**STATE HUMAN RESOURCES COMMISSION MEETING
PURSUANT TO N.C.G.S. § 126-2(h)
VIA WEBEX**

MEETING MINUTES – January 18, 2024

Members Present:

Members present on the Webex for the meeting were: Commissioner Dekhasta Becton Rozier, Chair, Commissioner Andrea Allard, Commissioner Ross Beamon, Commissioner Doug Boyette, Commissioner April Page, Commissioner Philip Strach, Commissioner Starla Tanner, Commissioner Tye Vaught and Commissioner Tracy Webb.

Other Attendees

Other attendees present: Barbara Gibson, Director, Glenda Farrell, Chief Deputy, and Twanetta Lytle Alston, Deputy Director, Office of State Human Resources; General Counsel Blake Thomas, Assistant General Counsel Anna Perkinson, and Legislative Liaison Lockhart Taylor, Legal Division, Office of State Human Resources; Denise H. Mazza, State Human Resources Commission Administrator, Office of State Human Resources; Felicia Bridges, Andrea Clinkscales, Lorence Crossett, Devon Freed, Linda Forsberg, Scarlett Gardener, Creshaye Graham, Jennifer Harrison, Joel Jordan, Stephanie McFadden, Randy Mizzelle, Irshad Patel, Paige Pearson, Armond Pittman, Susan Reeves, Kristin Siemek, Deyla Tharrington, and Kimerly Whitaker, Office of State Human Resources; Angeline Hariston, HR Director, NC Office of Administrative Hearings; Bancroft Neufville and Pam Hess, Department of Agriculture and Consumer Services; Glenda Ellerbee, HR Director, NC Office of State Controller; Andrea Porterfield, HR Director, NC Department of Commerce; Magnolia Lugo, HR Director, NC Community Colleges; Karen Gerald, HR Director, NC Department of Health and Human Services; Jerry Daniels, HR Director, NC Department of Insurance; Tina Wong, NC Department of Justice; Harlan Frye, NC Department of Revenue; Patricia Garcia, HR Director, Office of State Budget & Management; and Josephine Stith, NC Department of State Treasurer, and Darryl Bass, Vice President and Chief Human Resources Officer, Chris Chiron, Associate Vice President for HR Policy, Keith Dupuis, Senior Class Account Director, and Kevin Adcock, University System.

Opening

The Commission convened its open meeting pursuant to N.C.G.S. § 126-2(h) at 9:01 a.m. via Webex Teleconference.

The State Human Resources Commission (SHRC) last convened on November 30, 2023.

Pursuant to North Carolina General Statute Chapter 138A and the North Carolina Ethics Act, Chair Rozier asked all Commissioners if there were any conflicts of interest or potential conflicts of interest with respect to any matters coming before the Commission. No conflicts were presented.

There were no additions or corrections to the agenda for the January 18, 2024 meeting.

Business Session Public Comment

Public Comment

There were no public comments.

University of North Carolina System: Salary Range Update

North Carolina Office of State Human Resources Chief Deputy Director Glenda Farrell introduced this agenda item explaining that in the latter part of 2022, the UNC System Office had reached out to OSHR requesting to continue their career banding structure, rather than to try to transition to the state's enhanced market-based classification and compensation system that had been implemented for state agencies. Their request included engaging consulting to help refresh the ranges of the career banding structure with the updated labor market data. OSHR was somewhat surprised by this request since UNC had been involved throughout the extensive review of the labor market with Mercer, with the plan to include UNC System employees as a second phase. UNC felt strongly about remaining in the system that they had been in for over 15 years and both OSHR and UNC share the mutual goal of having competitive salary ranges as modern pay policies are critical to the 60,000 state agency employees and the 20,000 UNC employees who are subject to the State Human Resources Act. OSHR will continue to provide oversight and guidance with a focus on alignment between the state agency system and the UNC System employees who are subject to the State Human Resources Act. To maintain two systems will require that the University System Office be proactive in their oversight role. That draft policy was submitted here for informational purposes, and contains the duties of the institutions, the University System Office, OSHR and the SHRC.

UNC Vice President and Chief Human Resources Officer Darryl Bass then presented the salary ranges to the Commission.

After confirming that employees would not automatically receive an increase if they fell below the new minimums, Commissioner Ross Beamon asked if there was no funding to implement these ranges at this time.

Bass, first agreeing that the University System did not have a line item or pot of money to dispersed from, said the entities would have to think strategically and come up with funding at the institution level.

Commissioner Starla Tanner then asked for more information about the University System's plan to use an equity lens when funding is available for these new salary ranges.

Bass answered that the University System does use equity as one of their determining salary administration factors.

Commissioner Tanner followed up asking how much of that practice or how much of that lens was used in the market study. Specifically, whether or not it was even a component.

Bass deferred to Senior Class Account Director Keith Dupuis to respond to this question. Dupuis confirmed that it was a part of the process, but revising the ranges was only step one, and identifying the population most in need of a salary adjustment would be worked on with the campuses later.

Commissioner Beamon then asked for further clarification on the percentage disparity between positions such as an accountant with an increase of 15% as opposed to an accounting technician at 7.5%.

Dupuis explained that these percentages were in direct line with the state ranges and bring the numbers relatively in line.

Commissioner Tracy Webb questioned how the new range would be applied to a new employee as compared with for example a 10-year employee not making the new minimum.

Dupuis answered that establishing these ranges was the first step and addressing existing inequities such as a 10-year employee not being at the new minimum was a next step.

There being no further discussion or questions, the Chair called for a motion to recommend approval of the University System's new salary ranges as presented.

Motion: Commissioner Strach so moved.

Second: Commissioner Beamon seconded the motion.

A roll call vote was held and all attending members of the Commission recommended approval of the University System's new salary ranges as presented.

Motion carried.

University of North Carolina System: Proposed Draft of Career Banding Salary Administration Policy (For Information Only)

Associate Vice President for HR Policy Chris Chiron then provided information regarding the proposed revisions to the Career Banding Salary Administration Policy in conjunction with the salary range revisions presented. He explained that the edits to the policy reflect a shift in ownership and being a University specific policy. Also, the edits update the policy to reflect the practice of how career banding has been implemented in terms of salary administration over the years. UNC had worked with OSHR, in terms of recognizing the shift from primarily focusing on employee competencies as a baseline for salary administration and recognizing that there's a priority in terms of looking at the competency level of the position, in addition to the

competencies of the employee, and balancing those two factors. He closed by stating that much of proposed revisions clarified that combination of factors across the various types of salary actions available to employees.

Begin the Permanent Rulemaking Process for 25 NCAC 01E .1901-.1910, Paid Parent Leave

General Counsel Blake Thomas presented the proposed permanent rules for the Paid Parental Leave Rules, 25 NCAC 01E .1901-.1910, reviewing each of the proposed redlined edits to the policy in the material provided to the SHRC.

Commissioner Tanner, after noting the amount of work put into these proposed rules, asked about the basis for choosing 12-weeks for the qualifying event.

Thomas, first provided that because it can be difficult to determine whether a miscarriage has occurred earlier than 12 weeks in the pregnancy and there are no reliable statistics from DHHS about pregnancy losses before the 20th week, consideration of the cost, which is also difficult to determine, based on medical research was a factor in determining 12-weeks for the qualifying event.

Medical research indicated that in the sixth week, the probability of loss is as high as 5%. For prospective mothers, every person who gets paid parental leave, the cost estimate is \$4,319, on average for those four weeks of paid leave. The probability of loss is approximately 2% in the seventh week, on top of that, 2% in the eighth week, and so on. After the 12th week, those percentages begin to decline. So, it is likely that the further one goes back, the higher the cost becomes, although these are very uncertain cost estimates. Thomas proposed that if you went back say to the eighth week, it is likely the cost would roughly quadruple. He offered to have a further cost estimate regarding this topic and requested the Commission table this agenda item until the February 15, 2024 meeting to provide that information.

The Chair called for a motion to recommend approval of tabling this agenda item until the February 15, 2024 SHRC meeting.

Motion: Commissioner Beamon so moved.

Second: Commissioner Vaught seconded the motion.

A roll call vote was held and all attending members of the Commission recommended tabling this agenda item until the February 15, 2024 SHRC meeting.

Adjournment

There being no further discussion or questions, the Chair called for a motion to adjourn.

Minutes of the January 18, 2024 State Human Resources Commission Meeting

Motion: Commissioner Tanner so moved.

Second: Commissioner Page seconded the motion.

A roll call vote was held and all attending members of the Commission agreed to adjourn the January 18, 2024 SHRC Special Meeting.

Motion carried.

The Commission adjourned at 10:07 a.m.

Executive Session

The State Human Resources Commission did not have an executive session at its January 18, 2024 meeting.

Minutes submitted by:

Denise H. Mazza,

State Human Resources Commission Administrator